



भारतीय रिज़र्व बैंक

RESERVE BANK OF INDIA

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July 1, 2009

Ashadha 9, 1931 (S)

The Chairman / Managing Director

State Bank of India and Associate banks

17 Nationalized banks

ICICI Bank Ltd / IDBI Bank Ltd / HDFC Bank Ltd / Axis Bank Ltd

Stock Holding Corporation of India Ltd

Dear Sir

**Master Circular on Nomination facility in Relief / Savings Bonds**

The Department of Government and Bank Accounts, Central Office, RBI has been issuing instructions relating to nomination facility for Relief / Savings bond holders from time to time. In order to enable Public Debt Offices/Agency Banks to have all the currently operative instructions on the above subject at one place, a revised Master Circular on 'Nomination facility in Relief / Savings Bonds' has been prepared which is updated upto 30<sup>th</sup> June every year. Accordingly, the amended circular giving the updation upto 30.06.2009 is enclosed. You may also access the circular on our website [www.rbi.org.in](http://www.rbi.org.in)

Please acknowledge receipt.

Yours faithfully,

(Indira Nanu)  
General Manager

यह विभाग आइ एस ओ 9001-2000 प्रमाणित है ।

सरकारी और बैंक लेखा विभाग, केन्द्रीय कार्यालय, भायखला ऑफिस बिल्डिंग, 4 थी मंजिल, मुंबई सेंट्रल रेलवे स्टेशन के सामने, भायखला, मुंबई-400 008

This Department is ISO 9001-2000 Certified.

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## **Master Circular**

### **Relief Bond / Saving Bond Schemes Nomination facility**

- i. A sole holder or all the joint holders (investors) of a Relief/Savings Bond other than in the form of promissory note or bearer bond may nominate one or more persons who in the event of death of the sole holder/all the joint holders, as the case may be, would be entitled to the Relief/Savings Bond and to the payment thereon, provided that the person or each of the persons nominated is himself / herself competent to hold a similar bond.
- ii. The nomination should be made before maturity of the bond.
- iii. When nomination has been made in favour of two or more nominees, in the event of the death of either or any of them, the surviving nominee or nominees, as the case may be, shall be entitled to the Relief/Savings Bond and payment thereon.
- iv. A nomination made by the holder(s) of a Relief/Savings Bond may be varied or cancelled by making a fresh nomination in the prescribed manner and intimating the same in writing to the Reserve Bank of India/designated branch of authorised public/private sector bank.
- v. If the nominee is a minor, the holder(s) of the Relief/Savings Bond may appoint any person, not being a minor, to receive the proceeds of a Relief/Savings Bond on behalf of the nominee in the event of his/her/their death during the minority of the nominee.
- vi. The investor(s) may make separate nomination for each deposit in a BLA (subject to II above).
- vii. Offices/Agency Banks to issue 'Acknowledgement of Nomination'.
- viii. In case of 6.5 % Savings Bonds, 2003 (Non-Taxable) and 8 % Savings (Taxable) Bonds, 2003, the sole holder or all the joint holders can also nominate a Non-resident Indian (NRI) as his/her/their nominee(s) and remittance of interest payment and/or maturity value, as the case may be, will be governed by the regulations as applicable to NRIs.

#### **Exceptions – No nomination is permissible in the following cases:-**

- (a) When the Certificate/BLA is held by an adult on behalf of a minor;
- (b) When the holder has no beneficial interest in the Certificate but holds it in an official or fiduciary capacity.

**Cancellation of Nomination:** A nomination previously made will stand automatically cancelled -

- (a) if the holder(s) applies to PDO/Agency banks for substitution or cancellation and the substitution and cancellation is duly registered by the office;
- (b)** if the holder(s) transfers the Certificate.

The various circulars issued by this Department based on which the above Master Circular is prepared are listed below.

- i) (Ref. Memorandum of Procedure Page 3)
- ii) (Ref.CO.DT.13.01.201/4087/2000-01 dt.16-2-2001)
- iii) (Ref.CO.DT.13.01.201/4854/2000-01 dt.19-3-2001)
- iv) (Ref.CO.DT.13.01.298/H-3410/2003-04 dt.20-12-2003)
- v) (Ref.CO.DT.13.01.299/H-3426/2003-04 dt.20-12-2003)
- vi) (Ref. [DGBA.CDD. No.H-2173/13.01.299/2008-09](#) dated September 2, 2008)

*(In case detailed clarifications are required on specific issues, the circulars indicated above may please be referred to.)*